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WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
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- 3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, September 9

NIKKEI (Page 2) (Full) September 10, 2009

08:03 Took a walk near official residential quarters

10:25 Met former Lower House member Nobuhiko Endo at the Prime Minister's Official Residence (Kantei)

11:05 Met Chairman Masahiro Akiyama of Ocean Policy Research Foundation; followed by LDP Youth Division chief Shinji Inoue; followed by Upper House member Junzo Yamamoto, secretary general of Asian-Pacific Parliamentarians' Union, Japan chapter, and members of the Union, Upper House members Tsukasa Akimoto, Yasuhiro Oe, Shinobu Kandori

13:15 Renewed driver's license at Metropolitan Police Department driver's license renewal center in Uchikanda

14:09 Arrived at Kantei

18:44 Arrived at official residential quarters; met Yoshinobu Shimamura, special assistant to LDP president, and his wife Back to Top

DPJ President Yukio Hatoyama's schedule, September 9

08:30 Left residence in Denenchofu

09:04 Met Secretary General Katsuya Okada at DPJ headquarters 09:28 Met PRC Vice Foreign Minister Wu Dawei with Okada; followed by Sapporo Mayor Fumio Ueda; followed by former Finance Minister Koji Omi; DPJ Executive Office Chairman Hirofumi Hirano also present at meeting

10:27 Met New Komeito leader Natsuo Yamaguchi, Secretary General Yoshihisa Inoue, Diet Affairs Committee Chairman Yoshio Urushibara, Policy Research Council Chairman Tetsuo Saito, Okada, DPJ Diet Affairs Committee Chairman Kenji Yamaoka at Diet building 10:54 Arrived at personal office in Nagata-cho

13:37 Met former DPJ Policy Research Committee Chairman Yoshito Sengoku, Hirano at DPJ headquarters; Hirano stayed behind

14:42 Arrived at personal office

- 15:37 Met Chairman Tadashi Kato of Hokkaido Ainu Association at DPJ headquarters
- 16:00 Met Hokkaido Governor Harumi Takahashi
- 16:26 Met Wataru Aso, chairman of National Association of Governors, and representatives of five other groups; Deputy President Naoto Kan also present at meeting
- 17:02 Met President Makoto Miyazaki of Japan Federation of Bar Associations; Sengoku also present at meeting
- 17:30 Met SDP leader Mizuho Fukushima, PNP leader Shizuka Kamei at Diet building; accompanied by Okada, DPJ Policy Research Committee Chairman Masayuki Naoshima, SDP Secretary General Yasumasa Shigeno, PNP policy chief Shozaburo Jimi
- 18:24 Watched animated movie "Summer Wars" at Mediage in Daiba with wife Miyuki
- 20:51 Shopped at hamburger shop "MOS Burger Senzokuike Branch" in

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Kamiikedai with wife 21:10 Arrived home

4) DPJ gives consideration to U.S.

NIKKEI (Page 3) (Abridged) September 10, 2009

In the run-up to forming a coalition government, the Democratic Party of Japan (DPJ) held policy talks with its two allies, the Social Democratic Party (SDP) and the People's New Party (PNP). In their talks, the SDP adhered to its position in the area of foreign and security policies, where the SDP can assert itself as a party protecting the Constitution. Most of all, the SDP is attaching importance to reviewing the planned relocation of U.S. Forces Japan's Futenma airfield and revising the Japan-U.S. Status of Forces Agreement, or SOFA for short, which Okinawa and its base-hosting municipalities are highly concerned about. The three parties' talks for a coalition government focused on the wording to be incorporated in their written agreement concerning these two issues.

Meanwhile, DPJ President Yukio Hatoyama, soon to become prime minister, is scheduled to meet with U.S. President Obama late this month for the first time. Given this, the DPJ was nervous since it did not want to irritate the United States unnecessarily. In the tripartite talks, the SDP maintained that the three parties' agreement should specify the names of places in Okinawa, such as "Futenma" and "Henoko," where Futenma airfield's heliport functions will be relocated. The DPJ, however, rejected the SDP's assertion.

In the end, the DPJ wrapped up its coalition talks with the SDP and the PNP by agreeing to "bring up the issue of revising the Japan-U.S. Status of Forces Agreement and review the presence of U.S. military bases in Japan." The DPJ, showing consideration for the SDP, incorporated the wording "Status of Forces Agreement" in the written agreement. However, this expression was exactly the same as the expression in the DPJ's manifesto of "pragmatic" public pledges for the recent general election.

This is an equivocal compromise for the SDP, which has been insisting on revising the SOFA pact in its entirety and relocating Futenma airfield elsewhere outside Japan. "The SDP's position remains unchanged and we want to translate it into reality with the DPJ," SDP President Mizuho Fukushima told the press after reaching the agreement to form a coalition government. Even so, there is an obvious gulf between the two parties.

5) New leader of New Komeito pursues omnidirectional diplomacy

SANKEI (Page 5) (Full) September 10, 2009

New Komeito Chief Representative Natsuo Yamaguchi yesterday called on other party leaders at the Diet building to inform them that he has assumed the party's top post. He told Democratic Party of Japan (DPJ) President Yukio Hatoyama that his party would cooperate with the DPJ depending on the policies, while he asked Liberal Democratic Party (LDP) Secretary General Hiroyuki Hosoda to continue relations between the two parties. He was pursuing omnidirectional diplomacy.

According to a person attended the meeting, Yamaguchi and Hatoyama

agreed on environment policies and measures for supporting families raising children. When one of the DPJ leaders said: "We had policy consultations with your party while we were members of the (now defunct) New Frontier Party. Since we have something in common, there is a room for us to cooperate," Yamaguchi reportedly took a positive stance, saying: "I would like to discuss what we should do regarding concrete measures."

6) DPJ, SDP, PNP agree to form coalition government

NIKKEI (Top play) (Lead paragraph) September 10, 2009

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Democratic Party of Japan (DPJ) President Yukio Hatoyama, Social Democratic Party (SDP) Chairperson Mizuho Fukushima, and People's New Party (PNP) Representative Shizuka Kamei held a meeting yesterday evening at the Diet building, in which the three leaders agreed to form a coalition government. On diplomatic and security policies, in line the SDP's wishes, the coalition document included the wording "(the three parties) will move in the direction of revising" the planned realignment of U.S. forces in Japan, but (the three leaders agreed) to follow the expression the DPJ had stipulated in its manifest (set of campaign pledges) for the Aug. 30 House of Representatives election. In the meeting, Hatoyama asked Fukushima and Kamei to join the incoming cabinet and it was informally decided that the leaders of the two minor parties would join the cabinet. Hatoyama will decide on the lineup of his cabinet members before the end of the week. He will then speed up preparations for taking the reins of a government.

7) SDP concession over security area leaves concern

ASAHI (Page 2) (Full) September 10, 2009

Social Democratic Party (SDP) leader Fukushima during a press conference after the three party-head talks expressed her determination, "The SDP will play its proper role in the new coalition government." The SDP's participation in the DPJ-led coalition has been a done deal since election campaigns started. However, the SDP found it difficult to harmonize members' opinions on the matter. Some members even said that they would not mind if the coalition talks fell through. This is because the party made a series of concessions on the security front, which is considered to be vital to its political identity.

With the Japan-U.S. summit approaching later this month, the DPJ has made few concessions. Fukushima on the evening of the 8th, when the talks hit a snag, called Hatoyama and said to him, "Leave the other items alone, but we cannot possibly give in over Okinawa."

The SDP at noon on the 9th drafted an amendment that referred to a reduction in the burden of the people of Okinawa. It then faxed it to the DPJ after obtaining approval from a lawmaker elected from Okinawa. The two parties reached an agreement because the DPJ accepted the SDP proposal. Upper House member Tokushin Yamauchi, former mayor of Yomitan Village, Okinawa Prefecture, took the outcome favorably, saying, "We have struggled locally for a long time. The time has now come to reach a settlement at a political venue. I feel deeply moved."

However, the DPJ turned down other requests, including an immediate

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pull-out of Self-Defense Force troops from the Indian Ocean and off Somalia and the US Marine Corp's Futenma Air Station relocation

issue. Concern that the security issue will jolt the SDP under the coalition government will likely linger.

8) DPJ, SDP, PNP agree to form coalition: Revision of SOFA to be proposed

YOMIURI (Top Play) September 10, 2009

Democratic Party of Japan (DPJ) President Hatoyama, Social Democratic Party (SDP) leader Fukushima, and People's New Party (PNP) leader Kamei on the evening of September 9 held party-head talks in the Diet building. They formally reached an agreement to form a coalition and signed a three-party coalition agreement. In the diplomacy and security arena, which was the focus of attention, the policy agreement stipulated that the coalition government will propose a revision of the SOFA to the U.S. The Hatoyama cabinet of the DPJ, the SDP and the PNP will be inaugurated on the 16th, after Hatoyama is voted in as prime minister at a special Diet session to be convened on the same day.

9) Coalition deal reached, including review of U.S. force realignment

YOMIURI (Page 2) (Abridged slightly) September 10, 2009

The Democratic Party of Japan (DPJ), the Social Democratic Party (SDP), and the People's New Party (PNP) reached yesterday a coalition government policy agreement that includes factors, such as a review of the realignment of U.S. forces in Japan, that might rock Japan-U.S. relations.

## & Futenma

The SDP insisted on reducing the burden on Okinawa which hosts the bulk of U.S. bases in Japan. As a result, the coalition agreement specifies that the new coalition government will take a stance of reviewing the realignment of U.S. force and U.S. bases in Japan.

The biggest point of contention is the planned relocation of the U.S. Marine Corps' Futenma Air Station, situated in a densely populated area (in Ginowan, Okinawa Prefecture), to the coastal area of Camp Schwab in Nago in the prefecture. The U.S. force realignment roadmap, adopted by the Japanese and U.S. governments in 2006, stipulates the goal of finishing building the replacement facility by 2014. To meet the goal, work for building the replacement facility must start by next spring after obtaining the governor's authorization.

Procedures for an environmental impact assessment are underway. The governor and others are requesting the relocation site be moved to an offshore area, citing the noise factor and other matters. Talks are underway behind the scenes to coordinate views with the government.

If the new coalition government adheres to its aim of relocating Futenma Air Station out of Okinawa or of Japan, the United States is certain to react strongly to it.

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If the Japan-U.S. agreement returns to square one, plans to relocate U.S. Marine Corps from Okinawa to Guam and to return the six facilities and areas south of Kadena Air Base will be left in limbo.

To begin with, the realignment of U.S. forces in Japan is only part of the global transformation of U.S. forces for dealing with new threats, such as terrorism and the proliferation of weapons of mass destruction. The aim is for Japan and the United States to work together in addressing changes in the global security environment. (The cancellation of the Japan-U.S. agreement) might have an adverse effect on the overall bilateral alliance.

The coalition agreement says that the new government will "bring up" a review of the U.S.-Japan Status of Forces Agreement (SOFA), a matter repeatedly asked by Okinawa and other base-hosting municipalities.

The SOFA stipulates the legal status of U.S. forces in Japan. The SOFA contains some problems such as that (1) Japan is not allowed to seek the pre-indictment transfer of custody of a U.S. service member suspected of committing a crime; and (2) the Japanese side's access to a U.S. base where accidents, such as environmental contamination, occurred is restricted.

Every time a problem associated with the SOFA occurred, the Japanese and U.S. governments have reviewed the operation of the SOFA rather than revising the pact. As a result, Japan is now allowed to seek the pre-indictment transfer of custody of a U.S. service member who committed a heinous crime.

Tokyo and Washington have avoided revising the SOFA for fear that the United States will come under strong pressure for revising its pacts with other countries. Future talks with the United States are likely to encounter difficulties.

Future developments over Futenma relocation

October 2009 The Okinawa governor presents to the Defense Ministry his views on the ministry's preliminary environmental assessment report.

Fall to winter of 2009 The Defense Ministry presents its environmental assessment report to the governor. The governor presents his views on the assessment report to the Defense Ministry.

February to March 2010 The Defense Ministry requests the governor for his authorization for landfill work for using the surface of public waters.

Around spring of 2010 Landfill work beings. 2014 Construction of the replacement facility is complete, as stipulated in the Tokyo-Washington roadmap for U.S. force realignment.

10) U.S. Ambassador to Japan Roos gives top priority to strengthening alliance, voices expectation for contribution in Afghanistan  ${\bf r}$ 

NIKKEI (Page 1) (Full) September 10, 2009

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U.S. Ambassador to Japan John Roos gave an interview to Nihon Keizai Shimbun at the Ambassador's residence in Akasaka, Tokyo, on September 9. He conveyed his determination to strengthen the Japan-U.S. alliance relationship in the area of security. Although a coalition administration led by the Democratic Party of Japan, which advocates an "equal Japan-U.S. relationship," will soon be inaugurated, Roos said, "I am confident that we will continue to have a strong, positive, and productive relationship with the new administration."

Ambassador Roos took up his post on August 20. He explained that "the Japan-U.S. relationship is the United States' strategic and economic cornerstone in East Asia." He stressed that collaboration between the two countries, particularly in the area of security, "is of critical significance." In connection with the 50th anniversary of the revision of the Japan-U.S. security treaty next year, he said, "My top priority is to strengthen the alliance and lay the groundwork for celebrating the centennial of the bilateral relationship 50 years later."

Roos said, "The economic powers Japan and the United States need to deal jointly with such issues as the world economic crisis, climate change, Iraq, Afghanistan, and the rise of China," asking Japan to contribute to solutions to global issues. It is believed that his mentioning Afghanistan indicates his expectation that aid for that country will continue even if the new administration ends the

refueling mission.

11) Gist of Ambassador Roos's remarks in interview with Nihon Keizai Shimbun

NIKKEI (Page 7) (Full) September 10, 2009

Following is the gist of the remarks by U.S. Ambassador to Japan John Roos:

Q: What are your strengths? Why do you think President Obama selected you?

Roos: (My strength) lies in my close relationship with the President. I think the President has faith not only in my judgment, but also in my candidness. I listen to people's views and learn from them. I have the ability to bring people together. I also have the unique experience of having worked in the areas of technology and venture business in Silicon Valley for 25 years.

Q: How would you strengthen the Japan-U.S. relationship?

Roos: Japan and the United States are the world's two leading countries in the innovation that produces new ideas. For example, Japan possesses wonderful expertise in hybrid vehicles, solar power generation, and other technologies. On the other hand, America possesses an entrepreneurial spirit that can transform little-known companies into world players. The two countries are already pooling their strengths for collaboration in various fields. I would like to strongly support such collaboration during my tour. I also have a strong interest in educational exchange between the two countries in science and technology.

Q: Does President Obama consider economics and trade the top priority in the Japan-U.S. relationship?

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Roos: President Obama considers many areas to be very important in the Japan-U.S. relationship. The relationship is the United States' strategic and economic cornerstone in East Asia. The strategic relationship (in security) is of critical significance. We will be celebrating the 50th anniversary (of the revision of the Japan-U.S. security treaty) next year. My top priority in the next few years is to strengthen the alliance relationship and lay the groundwork for celebrating the centennial of the Japan-U.S. relationship 50 years later.

There are many other ways to strengthen the relationship. The United States and Japan are the number one and number two economic powers in the world. They need to cooperate in dealing with such global issues as the world economic crisis, climate change, renewable energy, Iraq, Afghanistan, piracy, and the rise of China.

Q: The realignment of U.S. military bases in Japan was discussed during the coalition government talks.

Roos: I do not intend to comment on Japanese domestic politics at this point. However, I believe that the bilateral relationship will continue to deepen and expand both strategically and non-strategically.

Q: Did you sense a change in foreign policy from your meeting with Democratic Party of Japan President Yukio Hatoyama?

Roos: I met President Hatoyama twice, and both times the conversation was positive. I look forward to working with him. I am confident that the new administration in Japan will continue to have a strong, positive, and productive relationship with the United States.

Q: How would you assess President Hatoyama's proposal for greenhouse gas emission reduction?

Roos: The important thing is for Japan, the U.S., China, and other

countries to work together. There are great potentials for collaboration between Japan and the United States. Silicon Valley is working on fostering a Google in the area of renewable energy. Japan also has the potential.

12) Sources of contention in diplomacy toward U.S.: Futenma Air Station relocation issue to come to climax shortly

MAINICHI (Page 3) (Full) September 10, 2009

The Democratic Party of Japan (DPJ), the Social Democratic Party (SDP), and the People's New Party (PNP) at their coalition talks reached an agreement, while there remains a gap between the DPJ, which is trying to switch its foreign affairs and security policy to a pragmatic policy line that attaches importance to the U.S., and the SDP, which gives priority to its ideals. In the end, the DPJ reluctantly complied with the SDP's request for the DPJ to modify (the three-party coalition agreement) in compliance with the language incorporated in its manifesto for the Lower House election, because it found no justifiable reason to turn down the SDP request. It is likely that the two parties will clash over the plan to relocate the US Marine Corp's Futenma Air Station in Ginowan City, Okinawa Prefecture, to the coast of Camp Schwab in Henoko, Nago

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City, Okinawa Prefecture.

The DPJ had been in step with the SDP in calling for an amendment to the Japan-U.S. Status of Forces Agreement (SOFA), opposing the relocation of Futenma functions within the prefecture and seeking a pullout of the Maritime Self-Defense Force from the Indian Ocean, where it is engaging in a refueling operation. However, the DPJ modified its stance even before the Lower House election, by not incorporating in its policy manifesto a pullout of the MSDF troops from the Indian Ocean and diluting the language of an amendment to SOFA and the Futenma function relocation issue, as the possibility of its taking the reins of government came into sight. Thus it has shown consideration for the U.S.

13) H-2B liftoff set for tomorrow

SANKEI (Page 21) (Full) September 10, 2009

Japan's new large-scale launch vehicle will make its debut flight into space tomorrow. The H-2B, co-developed by the Japan Aerospace Exploration Agency (JAXA) and contractors including Mitsubishi Heavy Industries, Ltd., will be launched from JAXA's Tanegashima Space Center in Kagoshima Prefecture at around 2 a.m.

ROOS